



Human Assets

## Assessment Centre Survey Report

Human Assets Ltd  
3 Clifford Street  
London  
W1S 2LF

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Tel: +44 (0)20 7434 2122  
Fax: +44 (0)20 7434 1905  
Web: [www.humanassets.co.uk](http://www.humanassets.co.uk)

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## 1. Executive Summary

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Human Assets Ltd surveyed 49 respondents across five sectors – Defence, Energy & Utilities, Finance, Telecommunications, and Pharmaceuticals & Health – on their use of assessment centres.

Some interesting findings were:

- Sixty-seven percent of surveyed organisations used assessment centres.
- All organisations in the Defence sector used assessment centres. The sector that used assessment centres the least was Pharmaceuticals and Health (33%).
- The main reason why organisations did not use assessment centres was because they did not have the volumes of candidates to warrant it. The most popular alternative to assessment centres was the competency-based interview.
- Sixty-one percent of organisations using assessment centres used them to recruit at a graduate level. Only 18% used assessment centres to recruit senior managers.
- The majority of respondents stated that the key benefit of assessment centres over other methods was that they provided a well-rounded view of candidates. Many respondents mentioned that assessment exercises were useful to see how candidates worked as a team and interacted with other people.
- Sixty-four percent of organisations designed and delivered their assessment centres in-house.
- Eighty-five percent of organisations adopted a tailor-made approach to assessment centre design.
- Eighty-five percent of respondents stated that their assessment centre had not had an effect managing diversity issues. Of these, 14 respondents explained that they hadn't considered how the assessment centre impacted on diversity issues.
- Thirty percent of organisations used technology as part of their assessment centre. All of these used some form of online psychometric ability testing.
- Fifty-eight percent of organisations had not formally evaluated their assessment centre.
- Seventy-three percent of respondents stated that there was no connection between their assessment centre and their talent management strategy. Of these, 50% stated that their organisation did not have a talent management strategy.

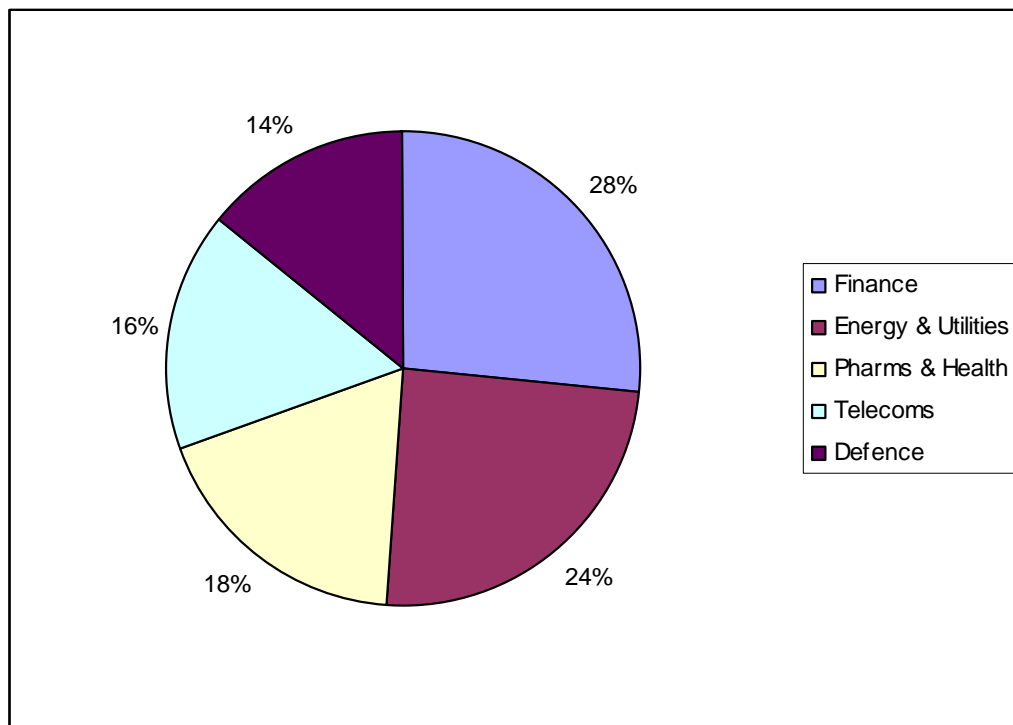
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## 2. Introduction

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In June 2008, Human Assets conducted a survey looking into assessment centres use in organisations and the perceived benefits of their use. In total, 49 organisations across a number of sectors took part (see Fig. 1). The contributors to the survey worked across a range of HR roles, from Head of Group Resourcing to HR Advisor.

*Figure 1: Survey representation across sectors*

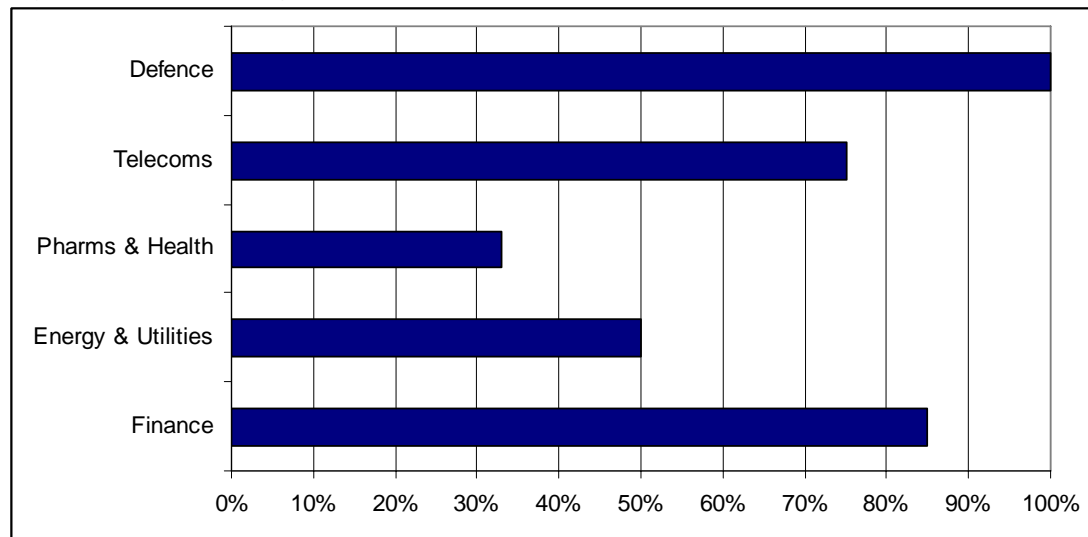


Survey contributors were asked a number of questions and their responses are presented in this report.

### 3. Are assessment centres used?

Overall, 33 (67%) of the 49 organisations used assessment centres. Use of assessment centres varied across different sectors (see Fig. 2). All Defence organisations sampled used assessment centres, but only 33% within the Pharmaceuticals and Health sector used them.

Figure 2: Percentage use of assessment centres across sectors



Of those organisations that did not use assessment centres, the following reasons were given:

Table 1:

Reason	Percentage mentioned by contributors*
Volume of candidates is not large enough/recruitment into roles is too sporadic	44%
Lack of resources	25%
Not appropriate for roles	25%
Too costly	19%
Don't know	6%

\* Percentages do not add up to 100% as some respondents mentioned two or more reasons.

Organisations were using the following alternatives to assessment centres:

Table 2:

Alternative to an assessment centre	Percentage mentioned by contributors
Competency-based interviews	75%
Semi-structured/unstructured interviews	25%
Psychometrics/Personality tests	25%
Presentation	13%

Some of these organisations used interviews as a stand-alone method of recruiting, and others used a combination of interview with a presentation, or interview with some form of psychometric test.

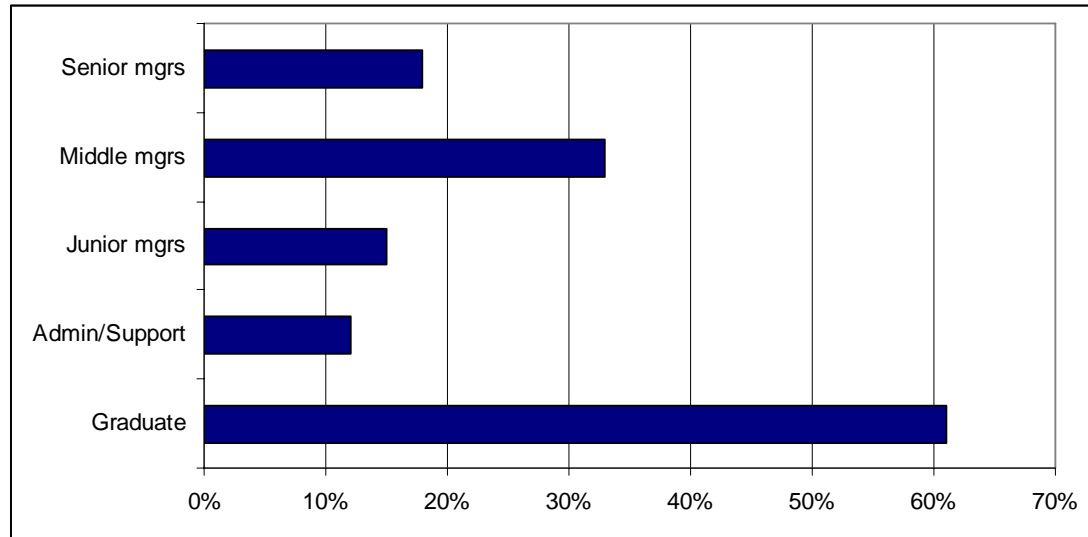
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#### 4. What are assessment centres used for?

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Of those organisations that used assessment centres, the majority (61%) used them to recruit graduates. Unsurprisingly, assessment centres were used the least to recruit for administrative/support roles (see Fig. 3).

*Figure 3: Percentage use of assessment centres across types of roles*



Out of all 49 organisations, only one organisation in the Energy & Utilities sector used assessment centres across all levels. Six organisations commented that they only use assessment centres for the few roles where they need to recruit in large quantities.

Interestingly, the findings showed that the use of assessment centres to recruit at middle management level was more common than for senior positions. This is surprising as we might have assumed that organisations would be willing to spend more money and resources, and would want a more rigorous process, to recruit their strategic-level positions. A possible reason could be that senior-level roles are not recruited for as frequently or in as large volumes as middle management roles. However, a definite conclusion cannot be drawn from the survey results.

The following table outlines contributors' responses regarding the key benefits of using assessment centres over other methods:

Table 3:

Reason	Percentage mentioned by contributors
Provides a rounded view/deeper look at the candidate (particular mention of assessing team work/interacting with others)	61%
More reliable, fair, objective, reduced bias	30%
Time effective/can put lots of people through at once	18%
Allows opportunity for a variety of people to see candidate	15%
Quality of decision-making is better	15%
Better candidate experience - realistic job preview	15%
Better idea of organisational fit	6%

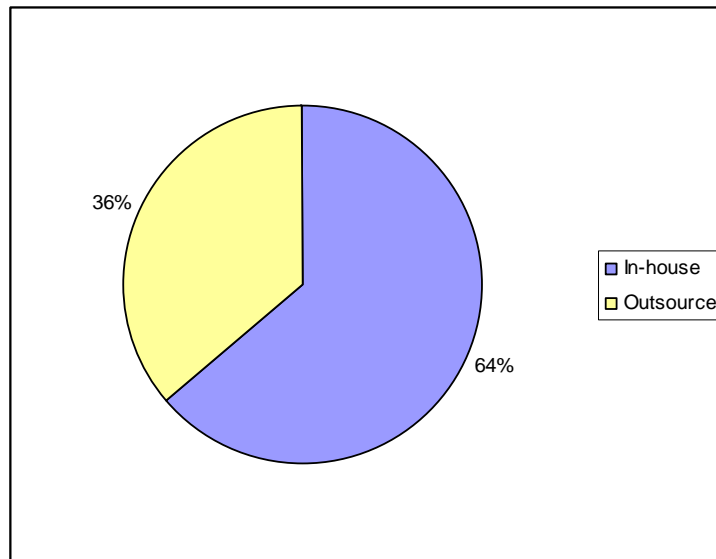
Many of these perceived benefits are supported by academic research, which shows that assessment centres provide a good prediction of future performance in the role and are well-regulated by candidates as a fair form of assessment.

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## 5. Outsourcing of the design or delivery

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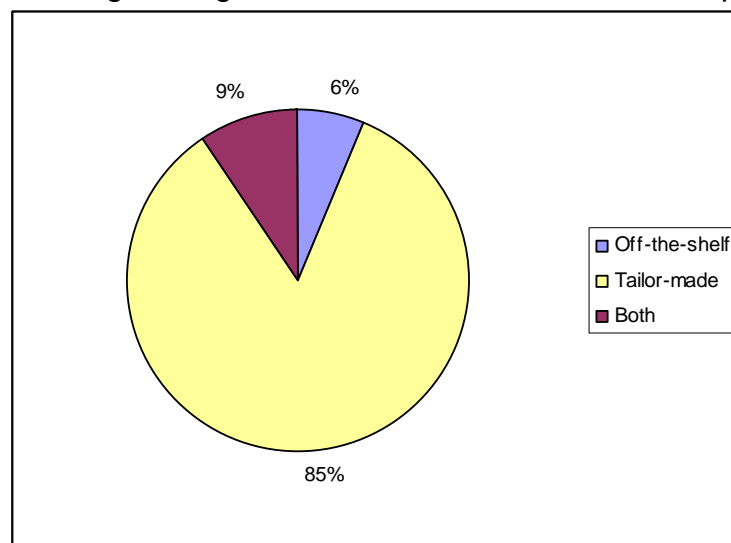
Figure 4: Percentage of organisations that outsource their assessment centre



Of the 36% of organisations that outsourced their assessment centre, 50% used their supplier for delivery, 42% used their supplier for design, and 30% used their supplier to delivery psychometric ability tests.

The majority of organisations (85%) adopted a tailor-made approach to their assessment centre design (see Fig. 5). Some took a joint approach (9%), using some off-the-shelf psychometric ability tests coupled with bespoke job scenario-based exercises.

Figure 5: Percentage of organisations that use a tailor-made approach



## 5. Has the assessment centre helped with diversity issues?

We asked contributors if their assessment centre had helped with any issues they faced around under-represented groups or diversity. Of the 33 organisations that used assessment centres, 85% stated that it had not had an impact on diversity. A qualitative analysis of their reasons revealed the following:

Table 4:

Reason	Number of contributors	Example statements made by survey contributors
Never looked into diversity issues	14	<ul style="list-style-type: none"> <li>“Not sure, we have not measured this specifically”.</li> </ul>
The problem is attracting diverse candidates in the first place	9	<ul style="list-style-type: none"> <li>“The female/male ratio is not as high as we would like, but that’s not all under our control. It can be tracked back to education - there aren’t as many females studying for these technical subjects”.</li> </ul>
Confident the process is fair/ don’t have issues with diversity	5	<ul style="list-style-type: none"> <li>“We are pretty open anyway. Ethnic diversity doesn’t come into the recruitment process at all. Whether we interview a person or not is dependent on their academic qualifications, not race or creed”.</li> </ul>

Interestingly, of the 31% of respondents who mentioned that the issues their organisation faced was due to attracting diverse candidates, the majority were from the Defence sector.

Of the remaining 15% of respondents who stated their assessment centre had helped with diversity issues, the main reason was that they felt the assessment centre process was more objective and fair. For example, one contributor stated, “There are multiple assessors so the process is not subject to one person’s stereotypes and assumptions”.

## 6. Do you use technology?

The survey found that 30% of organisations use technology in their assessment centres. All of these organisations used online ability tests, and were happy with how this process worked and the information gained from the output:

Table 5:

Reason	Percentage mentioned by contributors
Provides an idea of on-the-job abilities	40%
Speeds things up/efficient/helps with volume of candidates	30%
Don't need as many trained people to be present	20%

The following table shows a summary of comments from the 70% of organisations that did not use technology:

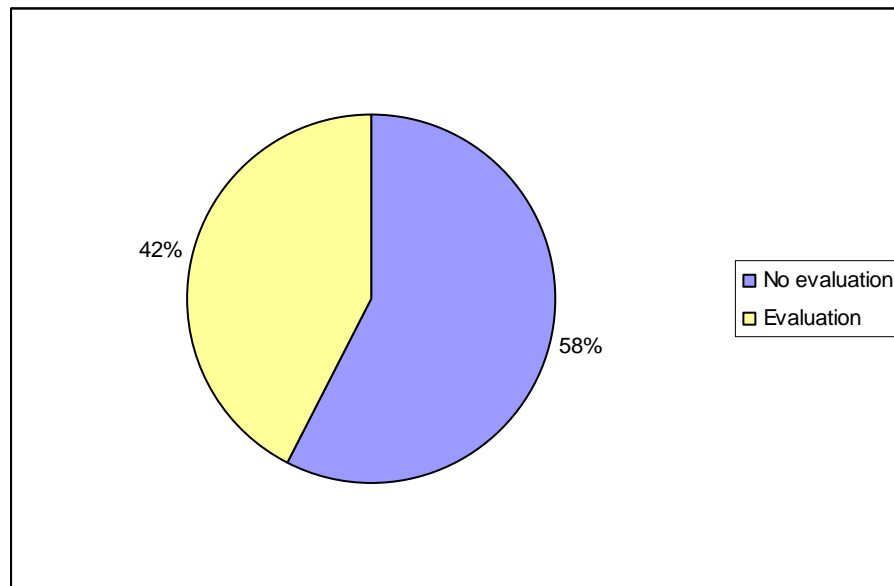
Table 6:

Comments	Percentage mentioned by contributors
Psychometric tests are used as part of the sift process not during the assessment centre itself	30%
Online tests work out more expensive than paper and pen	13%
Trouble getting enough secure laptops/setting up IT and technology would be extra effort	17%
Reservations of using online tests (e.g. regarding abuse)	9%

Interestingly, when asked about the use of technology, contributors' thoughts appeared to immediately turn to online psychometric tests, despite other potential uses of technology in assessment centres e.g. electronic inbox exercises, online situational judgement tests etc.

## 7. Do you evaluate your assessment centre?

Figure 6: Percentage of organisations that evaluate their assessment centre:



Of the 42% of contributors who stated their assessment centres were evaluated:

- Seventy-seven percent stated this was conducted statistically
- Fifteen percent stated they asked candidates for their feedback
- Eight percent stated that they only analysed the psychometric test data

Of the 58% of contributors who did not evaluate their assessment centres, only nine people gave reasons. The table below outlines these reasons:

Table 7:

Reasons	Number of times mentioned
Don't at the moment but plan to	3
Keep candidate marks/ Monitor performance on-the-job but do not conduct any analysis	3
Don't use enough assessment centres to evaluate them	2
Not enough resources	1

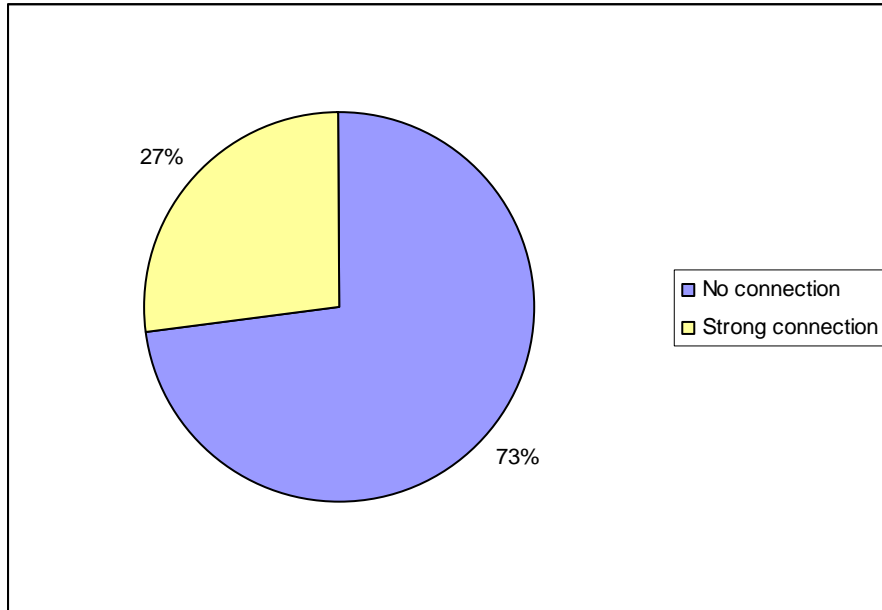
It is interesting to note that despite the positive statements of the benefits of using assessment centres, e.g. more reliable, fair, objective, reduced bias, (see Table 3), the majority of the organisations had not conducted an evaluation to find out whether their assessment centre was delivering what they believed.

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**8. Is there a connection with the talent management strategy?**

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Figure 7: Percentage of respondents who stated there was a strong link between their assessment centre and talent management strategy



Of the 27% of respondents who stated there was a strong link, only 8 people gave reasons:

Table 8:

Reason	Number of times mentioned
Related to the global competency framework	4
Hand over to talent management team after recruitment	3
The assessment centre is used to select onto the high potential programme	1

The following themes emerged from the qualitative analysis of the comments made from contributors who answered that there was no connection between their assessment centre and talent management strategy (18 contributors commented):

Table 9:

Reason	Number of contributors	Example statements made by survey contributors
Don't have a talent management strategy	10	<ul style="list-style-type: none"> <li>▪ “We haven't got the process or systems in place. It is in its infancy”.</li> </ul>
It will happen but no link now	6	<ul style="list-style-type: none"> <li>▪ “Talent strategy is just taking off now - looking into succession planning. So no link at the moment”.</li> </ul>
Assessment centres are not used widely enough for there to be a link	2	<ul style="list-style-type: none"> <li>▪ “It is only used in a small section of our business - areas where bulk and regular recruitment is needed”.</li> </ul>

This is an interesting finding - despite all the hype, conferences and books on talent management, it still appears to be in its infancy in organisations.

## 9. How would you rate your assessment centre?

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Respondents were asked to rate their assessment centre on a scale of 1 to 10, where 1 meant that they believed their assessment centre did not recruit the right people at all, and 10 meant that they were 100% confident that it did.

Across all sectors the average rating was 7 out of 10.